

CALFED NEWS, MARCH 4-19, 1999
PUBLIC AFFAIRS GROUP MEETING, APRIL 21, 1999

CALFED/Commentary - State's politics of water consensus is a dry well

Sacramento Bee, April 11 by Marc Reisner

(Marc Reisner, author of "Cadillac Desert," is a consultant to the Institute for Fisheries Resources and a partner in the proposed Madera Ranch project.)

During the past few weeks, two news stories with profound implication for Californians seem to have slipped under many people's radars as their attention shifted to real radar and war in the Balkans.

The first involves nine more species, or runs, of salmon in the Pacific Northwest that were listed last month under the federal Endangered Species Act. According to some regional planners and politicians, the future restrictions that these listings could entail on water use, hydropower operations and all manner of daily activity may cause more economic and social turmoil than did the listing, some years ago, of the northern Spotted Owl.

One salmon species that was also considered for endangered species protection, but passed over for now, is indigenous to California: the Central Valley spring-run chinook, which is extinct in most of the Sierra rivers where it used to spawn and thrive. So far, two races of California salmon -- the coastal coho and the winter-run chinook -- enjoy endangered species protection, but populations of all wild California salmon, not just the spring- and winter-run, have declined so dramatically in recent decades that every native species could end up listed.

In California, we manipulate the natural flow of water far more than does the Pacific Northwest. Our vast expanses of irrigated farmland, the huge cities we have built in semi-arid zones: All depend on importing water from where it is, and presumably isn't needed, to where it isn't, and presumably is needed. But if more listings demand that a lot of water remain in rivers, flowing naturally to sea, the economic repercussions could be drastic. That's why it's imperative that we take bolder, more serious steps than we have so far to restore these fisheries before they end up listed.

The other story concerns this year's Sierra snowpack, which becomes the water that lubricates California's trillion-dollar economy. According to the Department of Water Resources, the snowpack is 40 percent above average this year and has been well above average for the past five years. That's the good news. The bad news is that, since record-keeping began in the mid-1800s, California has never before experienced this kind of serendipity: five years in a row of above- average snowpack.

California is a Mediterranean-climate zone where it tends to rain too much or too little; an "average" year is rare. Before long, we are certain to experience another drought, as we did from 1987 to 1992. With water demand growing daily, and fisheries in general decline, the next drought may cause far more harm than did the last -- both to nature and the human economy.

As someone who has been involved in efforts both to restore salmon runs and augment California's water supply, I have come to the despairing conclusion that it's nearly impossible to achieve either goal right now. Except for a couple of offstream reservoirs, California has developed no new water storage in a generation -- even underground aquifer storage that's environmentally benign and has local as well as statewide benefits. It seems equally difficult to give salmon back what they need most: some ancestral spawning habitat that's been blocked by dams, large and small.

Why is progress on these important fronts so tough? Because the politics of water and environmental restoration --which are intimately related and of huge significance to the future of this state -- have devolved into a hopeless obsession with "consensus."

Margaret Thatcher, of whom I am no particular fan, once defined consensus as another term for lack of leadership. I would call it something else, too, at least as we seem to define it: the substitution of minority tyranny for majority will. If a hundred people in a room want something, but eight others don't, you haven't achieved "consensus"; ergo, nothing is allowed to happen.

This is an easy recipe for paralysis, and that's mainly what CalFed has achieved to date. CalFed, for the uninitiated, is the cobbled-together but lavishly funded effort to solve the biggest of these problems at once: It seeks to develop new water storage, create better water-delivery reliability, and at the same time restore the plundered fisheries (especially salmon) whose scarcity threatens reliable water supply as much as drought.

Amorphous by design, CalFed is a "process" in which various Federal and state-level agencies -- the usual suspects that deal with these issues - work with, and through, numerous "stakeholder" groups (farmers, environmentalists, urban water districts) on outlining and implementing a water reliability and eco- restoration agenda, which could ultimately cost \$10 billion to \$20 billion. It could, that is, if we ever manage to outline an agenda, let alone implement one, so long as the requirement for consensus rules.

Virtually everyone agrees - in principle - that we need new water storage. The population of California has increased by 10 million since I moved here in 1979; there will be 8 million more of us by the year 2010. But for 20 years the state and federal governments have done almost nothing to augment our water supply; we've coasted on surpluses from another era, with a lot of help from conservation programs initiated by urban and farm water districts.

Taking conservation to the next level, however, will be politically difficult. In urban areas, where outdoor use accounts for 50 percent of water consumption, people will be asked to shrink their lawns or replace them altogether with desert plants. (Even in my own county, Marin, where Sierra Club membership is almost a condition of residency, we resist doing that.)

Farmers might be paid to shift crops or to fallow cropland, especially during droughts. But shifting from, say, alfalfa to less thirsty grapes can be risky: What if so many other growers do it that the commodity price plummets just as everyone is paying off huge investments in vines? Fallowing, a favorite water-augmentation strategy of environmentalists, is violently opposed throughout rural California, which equates it with "another Owens Valley."

So new storage is needed, and most everyone seems to agree -- until you try to develop it.

Meanwhile, tremendous quantities of water purchased back just to create "fish flows" won't do much good -- they've already tried this in the Northwest, at great cost and with meager results -- if salmon remain blocked from 95 percent of their historic spawning habitat. To get them there, we have to take down some dams -- not Shasta, not Oroville, but a few small hydro and diversion dams (and perhaps one not-so-small dam, Englebright on the Yuba River) -- that we could easily afford to purchase, simply to remove or modify them.

Substitute power and water supply are feasible; it's just a matter of cost. One thing is certain: severe constraints on water delivery -- the result of numerous new endangered species listings -- will cost more.

I have been closely involved with two initiatives that would help achieve these goals. In both cases, they have been stymied by consensus obsession. Millions of Californians might benefit, but because a handful of people see real or imagined harm, CalFed's deference to "stakeholder concerns" lands the proposals in the penitentiary.

The Madera Ranch project would store surplus floodwaters underground, for future drought emergencies, in a depleted aquifer beneath a 13,600-acre property northwest of Fresno. The feasibility of the project was carefully investigated by Bookman-Edmonston, a prominent consulting firm specializing in hydrologic engineering. In fact, B-E's report emphasized that the local region and the environment would benefit, not just the purchasers of stored water. The 4,000-acre recharge area would, in effect, become a flourishing wetlands in the winters of wet years. Managed jointly for floodwater percolation and waterfowl habitat, Madera Ranch could be a major attraction for migratory waterfowl, like the winter-fallowed rice fields in the Sacramento Valley.

Meanwhile, filling the vast "pump hole" under the ranch -- which was never irrigated -- would raise the water table in the surrounding area, benefiting neighboring farmers. It could also offer a new water supply

to the nearby city of Madera, which is water- short and growing rapidly. Under every permutation of every plan, only water added to the aquifer would be pumped back out.

But when the Bureau of Reclamation, whose own feasibility investigation agreed with most of Bookman-Edmonston's, sought \$14.5 million in funding from CalFed to help purchase the property, it was blindsided by opposition from two implausible allies: environmentalists and local farmers.

The Bay Area's politically powerful environmental organizations -- most, not all -- didn't want CalFed money used for water storage, at least not yet and at least not those particular funds. Meanwhile, a loose assortment of local ranchers and water district officials began spewing fanciful nonsense about Madera Ranch up and down the valley. The opponents have claimed, among other things, that the federal government (curse words in those parts) plans to put "selenium-contaminated" water in "their" aquifer -- which they've badly overdrafted - and then pump out all the groundwater for sale to southern California, where demand for extra selenium presumably seems to be acute.

Citing each others' arguments - a historical first, perhaps - these normally antagonistic, now oddly allied "stakeholders" convinced the CalFed funding committees, carefully tuned to stakeholder input, to deny the bureau its funding request. Since then, Madera Ranch, widely identified as the best and most economical groundwater storage site in the state, has languished under a cloud of controversy, and, being close to Fresno, may end up instead as tract housing. In California, it's a lot easier to develop suburbs than the water to sustain them.

Another place where consensus politics gone moderately berserk is Butte Creek, a northern Sacramento River tributary that hosts by far the largest remaining California run of spring-run chinook salmon. Over the past two years, several small diversion dams downriver from the salmon's Sierra spawning habitat were removed by irrigation districts. New water-delivery infrastructure was built, and the Metropolitan Water District of Southern California, together with San Joaquin farmers, paid two-thirds of the \$10,000,000 cost.

That was true, and rare, consensus, doing much good -- almost too much. With excellent outflow from heavy rains and a long river reach cleared of dams, a record 20,000 adult salmon returned from the ocean last year. So many huge fish crowded into so little spawning habitat that thousands perished from de-oxygenation or stress before they could propagate.

Although restoring habitat "above the dams" is a CalFed priority, you have to get fish there first. In the case of Butte Creek, removing one antiquated 12- foot hydroelectric dam and modifying a handful of small but obstructive waterfalls could more than double the river's spring-run spawning habitat.

Fish and wildlife agencies have seen this potential for years, but never investigated its feasibility. Stepping into the breach, a prominent fisheries consulting firm, William Kier and Associates, and I asked CalFed for money -- on behalf of the state's chronically beleaguered commercial fishermen -- to conduct that investigation. It was to have been simply that -- an investigation -- and it may have concluded that the plan would cost too much or might not work.

But once again, stakeholders, mainly a group of adjacent landowners worried about a potentially endangered species going farther up "their" creek than it already does, interceded so vehemently with CalFed that, so far, they have carried the day. (Negotiations with the local landowners and Butte County officials are still underway.) Meanwhile, various environmentalists, mostly local but highly vocal, are this time opposed to "tampering with nature" by modifying the steep little boulder-strewn falls, even though state agencies clear out huge driftwood jams after every epic flood. That the goal is survival of what was once the most prolific salmon species in the state seems to leave this rock-worshipping contingent unmoved.

It's not as if the most important and, one would think, most influential "stakeholders" - 18 million southern Californians and thousands of San Joaquin Valley farmers -- don't see their own interest in all this. In 1993, Delta pumping constraints ordered to protect the listed Winter-run chinook cost them at least 400,000 acre-feet of water. (And 1993 was a wet year, with good Delta outflow; imagine desperately dry

years like 1991 or 1977.) A spring-run listing, and others likely to follow, could disrupt a vast amount of economic activity from Redding to the Mexican border.

But there's no consensus, as we so narrowly define it, about salmon restoration, or about water storage (surface or underground), or about water marketing, or conjunctive-use, or conservation, or land fallowing, or... anything. That's to be expected in a state as ideologically, culturally, and regionally divided as ours.

That being the case, then, to insist quixotically that the only way to make something happen is to get everyone - or nearly everyone - to agree that it should is to abdicate responsibility for our future.

When we built the State Water Project in the 1960's, we didn't have consensus. We had bitter division, even in arid southern California, and a bare majority in favor. But we had leadership - the late Governor Pat Brown's - and we built it anyway.

When we debated the federal Central Valley Project Improvement Act in 1992, we didn't have consensus; we had relentless disagreement that spilled all the way across the country into the Oval Office. Congress passed the act anyway, and President Bush signed the bill despite virulent opposition from his Central Valley political base. Too many Californians wanted him to.

We did these things when we still believed in a form of government called democracy. In a democracy, within reasonable limits, majorities decide. Today, on some of the most important issues confronting California, they no longer do. #

DELTA

A Delta Farm That's Wildlife Friendly: 9,200-Acre Ranch Joins Cosumnes Preserve
Sacramento Bee - April 7, By Walt Wiley, Bee Staff Writer

Sally Shanks' dusty four-wheel-drive rig bounced to a halt atop the narrow Staten Island levee. To her left was nearly 10,000 acres of earth, flat as a pool table and ridged up in furrows ready to be planted in corn, wheat and tomatoes. To the right was the north fork of the Mokelumne River.

"See, here's what you can do," she said with a wave of her hand, pointing to a small lagoon that had been created in the river with a line of alders and tules cutting across a sharp bend in the levee.

"It doesn't slow flood flows one bit, but with normal flows you get tidal action that promotes all sorts of stream-side life you don't get when it's just bare rock," she said. "And now we'll be able to do so much more of this."

Shanks and her husband, Jim, manage the M&T Staten Ranch, 9,200 acres all on one island in the Delta southeast of Walnut Grove. It's a full-blown, no-nonsense, money-making agribusiness enterprise that just happens to be very friendly to wildlife.

And last week, the ranch became part of the Cosumnes River Preserve, adding its private, for-profit acreage to the mix of federal, state, local and private nonprofit land, almost doubling its size to a new total of 21,800 acres.

For as long as the Shankses can remember, long before they took over, those parts of the vast ranch that have not been needed for growing crops have been managed for wildlife habitat.

And come fall, when the crops are in, essentially the whole place gets flooded to provide habitat for migratory waterfowl, staying flooded until the birds leave in the spring, just in time for planting.

"So it just seemed like a perfect fit for us to join up with the preserve," Shanks said. "They're doing the same thing we are, even farming on the land where it's appropriate."

"And talk about waterfowl: Those birds fly south at 10,000 feet until they're right over Staten Island, then they just drop. We'll have 100,000 birds -- 18,000 sandhill cranes."

The ranch was founded when the land was leveed and drained in the 19th century. M&T Corp. of San Francisco acquired it in the 1930s, and since 1984 M&T has been part of the investment portfolio of the Washington state public employees' pension fund.

"And we're a solid moneymaker for them, year after year," Shanks said.

Profitability is essential, certainly, but M&T's choice to join the preserve reflects a trend of modern farmers, said John Gamper, the California Farm Bureau's land-use and taxation director.

"More and more, they're looking at higher values than just the speculative value of land. It's a matter of wanting to stay in farming, of having farming be a valuable and desirable use of the land," he said.

Staten Island is in the heart of the area buffered by the Delta Protection Commission from urban development, but it still faced pressure from other forces that could have ended farming there, said Margit Aramburu, commission executive director.

"There was one proposal where Sacramento County said it could solve all its flood control problems by making Staten Island a 'floodway,' " or route of the river before it was controlled by levees, Aramburu said.

"That plan died when San Joaquin County didn't think much of it, but there's always somebody around to come up with things like that, and it couldn't hurt to have friends in the right place."

Shanks said a gas pipeline company just a few months ago was preparing to draw a line across the island and install a new pipeline without even asking where it might be least inconvenient.

"Those utilities can just thumb their nose at an ordinary farmer, do as they please," she said. "But when these guys learned we were hooking up with the preserve, all these agencies, Fish and Game, BLM, Department of Water Resources, they stepped back and got a little more polite."

In addition to the strength-in-numbers support from its partners in the preserve, she said, the ranch could get financial help for some of its non-farming efforts, such as one program being explored that would pay the ranch for its lost profits on land dedicated to permanent wetlands.

As for the preserve overall, it is strengthened by being nearly doubled in size with land along its watershed, in this case directly downstream from the preserve's core holdings, said Rick Cooper, a federal Bureau of Land Management range conservationist who serves as preserve manager.

The preserve was created in 1984 with some oak woodlands and wetlands acquired by the private Nature Conservancy. Three years later Ducks Unlimited, also a private group, joined in and began adding acreage and supplying a full-time manager.

Now there are 10 employees and the land of nine owners: M&T, BLM, Ducks Unlimited, the Nature Conservancy, the state Wildlife Conservation Board, Sacramento County Parks and Recreation, the state Department of Water Resources, the state Department of Fish and Game and the California Lands Commission.

"When you look at the whole watershed of the Cosumnes River from the headwaters on Forest Service land up in the Sierra all the way to the Delta, Staten Island is a key piece," Cooper said.

"It's not important who owns it. We've proven that. What's important is the habitat, and this is real habitat."#

LETTERS - Water negotiation
Sacramento Bee, April 7

Re "State water alliance imperiled," March 11: It seems a small group of environmentalists are willing to derail a nearly \$100 million federal funding appropriation for California's Bay-Delta water system in order to block a meager 4 percent of that funding from being used to study -- not build -- new water storage programs recommended by CalFed.

At \$50 million, the largest share of the proposed federal funding is for continued ecosystem restoration work in and around the Delta. This is in addition to \$160 million appropriated by Congress for the environment over the past two years. Based on past expenditure experience, \$50 million seems to be the most effective amount that can actually be spent in the coming year for environmental improvements.

When CalFed released its Revised Phase II Report last December, it outlined a balanced program to solve a variety of problems in the Bay-Delta -- including a declining ecosystem, deteriorating drinking water quality, reduced water supply reliability and vulnerable Delta levees. We continue to support the full CalFed program and the funding necessary to accomplish it.

--Gary Cusumano, Chairman of the Board of Directors, California Chamber of Commerce
Chuck Center, Director of Legislative Affairs, California State, Council of Laborers
Sunne Wright McPeak, President & CEO, Bay Area Council
Stephen K. Hall, Executive Director, Association of California, Water Agencies #

It is true that tensions are high among the coalition working to address California's water management issues, but so is the momentum to move past this phase if the players can reconnect with their original purpose of balancing the state's economic and environmental water needs. Cooperation has brought much progress to date.

In a demonstration of leadership, CalFed has proposed a study framework called the Integrated Storage Investment Plan (ISIP) that promises to bridge these differences. The ISIP would study new off-stream surface storage where appropriate. But it also would include a comprehensive examination of the reoperation of numerous hydroelectric dams and look at opportunities to remove dams and improve fish habitats.

CalFed is asking the right questions. Failure to address them will not only undo a valuable partnership, it will jeopardize the future of California's economy and environmental well-being.

--Timothy H. Quinn, Los Angeles, Acting General Manager, Metropolitan Water District #

STATE WATER POLICY

New state water chief says no Peripheral Canal, but maybe new dams

Associated Press - March 31, By Doug Willis, Sacramento Bureau Writer

SACRAMENTO (AP) - California's new water chief doesn't see any need for a Peripheral Canal - ever. But Tom Hannigan says he has an open mind about building one or more new dams in the northern part of the state.

If that's a mixed message, that's fine with Hannigan, because he views himself as a problem solver and consensus builder, not a partisan in California's never-ending water wars.

That's also how California's water interest groups see Hannigan, whose appointment as Gov. Gray Davis' director of the Department of Water Resources has won praise from both the "enviros" and the "water buffaloes," as the feuding factions are often known.

"He is a fine appointment to a difficult position," said Sierra Club lobbyist Mike Paparian. "The water issue is going to be one of the biggest challenges for the Davis administration. There is not currently a consensus on how to move forward, and his statesmanship is needed."

Stephen Hall, executive director of the Association of California Water Agencies, has a similar view.

"So far, I've been very impressed with his thoughtfulness and his open-minded approach to the issues. He doesn't seem to have an agenda and preconceived notions," Hall said.

But Hannigan, a Realtor before he got into politics, was not an obvious choice for California's water czar.

In an 18-year legislative career, Hannigan rarely wrote water bills or took any special interest in water issues, even though his first childhood home was on the edge of a Napa County reservoir, Lake Curry, where his father was caretaker.

Sen. Jim Costa of Fresno, chairman of the Senate Agriculture and Water Resources Committee, says Hannigan's lack of experience in water issues won't be a handicap.

"While he acknowledges that water policy is not an area where he spent a great deal of time over the years, Tom Hannigan is a quick study," said Costa, a friend whose seat in the Assembly was next to Hannigan's for 16 of the 18 years Hannigan represented Solano and Yolo counties in the Legislature.

"What you have in Tom Hannigan is a person who is genuinely interested in solving problems. He comes to the job with no preconceived notions, no axes to grind, and truly wants to figure out how to solve the issues of the day," Costa said.

While Hannigan, 58, was chairman of the Assembly Natural Resources Committee during the 1980s, he was best known in the Legislature as an expert on taxation and land use issues.

Hannigan also served 10 years as Assembly Democratic floor leader, which made him second in command to then-Speaker Willie Brown.

They were a political odd couple. While Brown was flamboyant, controversial and partisan, the soft-spoken, low-profile Hannigan was described by the California Political Almanac as "an anti-politician ... more interested in issues than back-room maneuvering."

Although Hannigan's appointment has been praised by both environmentalists and water officials, his priorities are not well known.

And by Hannigan's account, he hasn't received specific marching orders from the governor, except to continue working with federal and other state agencies in the "CALFED" Bay-Delta Program.

Davis and Hannigan have known each other for years. But they aren't close friends. Still, Hannigan's job interview with Davis only took about five minutes.

"We had a very short conversation. There really wasn't a discussion about what would occur," Hannigan said, adding that the next day, he told Davis he would accept and started work the following week.

"I wasn't looking for this job. I was very happy in private life. I guess the bottom line was I couldn't say no to him. And secondly, it just seemed to be a challenge I couldn't resist," Hannigan said.

While most observers expect that the state will tilt more toward environmentalists under Davis than under Gov. Pete Wilson, Hannigan refused to endorse any broad generalities about changes in water policies. Instead, he stressed keeping representatives of all the competing water interests - urban, agricultural and environmental - involved in CALFED negotiations.

CALFED directly involves the Sacramento-San Joaquin Delta and San Francisco Bay, but Delta water ends up in the homes of 22 million Californians and it irrigates 7 million acres of California farmland.

Issues before the 15 state and federal agencies participating in CALFED include ecosystem restoration for 750 plant and animal species, the reliability and quantity of urban and agricultural water deliveries,

CALFED News
March 3-19, 1999

water conservation, maintenance of Delta channels and decisions on possible new channels and storage facilities.

In a relaxed interview in his office two blocks from the state Capitol, Hannigan described how different CALFED's consensus-building process is from the often hurried decision-making in the Legislature.

"Things move so slowly. It's common to hear, 'We started negotiating this contract in the late '70s or early '80s,'" Hannigan said.

While Hannigan stressed giving a say to all water interests, he said there is no way to please everyone.

"CALFED is at a critical point ... where we have to start making decisions, and it will not be easily accomplished. There will be a lot of gnawing of teeth. Someone is going to be offended in the final analysis if any decisions are made," he told one group of water officials recently.

In a later interview, Hannigan described the kind of decisions he expects.

"The solution is a number of things, not just one. It includes better water conservation. It includes recycling. It includes groundwater storage and groundwater monitoring," he said, acknowledging that groundwater management has been an emotional issue.

But, he said, proposals to inject excess surface water into underground aquifers for later use "certainly suggest monitoring, and at some point, groundwater management, will become one of the tools."

"I don't think there will be a Peripheral Canal," Hannigan added, even though a scaled-down version of that controversial plan rejected by voters in 1982 is one of three water transfer options in current CALFED plans.

Instead, he predicted that existing Delta channels will be improved.

But Hannigan declined to rule out additional dams.

"The surface storage tool is one of the more controversial ones. It's one that I want to be very careful about. I'm convinced we need to evaluate some sites to see if they make sense. It could be offstream," he said.

"If we go for something like that, I think it makes sense to put it north of the Delta to maximize the benefit."
#

CALFED/ FISHERIES

Group to research wild fish options

Grass Valley Union - March 31, By Tim Omarzu, staff writer

Calfed, the joint state and federal effort to restore the Bay Delta, has appointed a work group to help study ways to restore salmon and steelhead trout above Englebright Dam.

The work group stems from a contentious January meeting at the Penn Valley firehouse at which an overflowing crowd angrily challenged Calfed's original proposal to study the feasibility of removing Englebright Dam.

"What we're doing through the work group is trying to establish a more manageable process to perhaps winnow down the alternatives," said Dick Daniel, assistant director for Calfed's environmental restoration program.

Raucous meetings like the one at the firehouse "really don't produce the kind of results we have to have for the decision-making process," said Daniel. He was the main speaker at the Penn Valley meeting, and a target for angry comments.

CALFED News
March 3-19, 1999

The 25-member work group seems to incorporate an equal mix of people on both sides of the issue. It includes those opposed to removing Englebright Dam, such as Tim Feller, of Citizens Allied Against Lake Englebright Destruction, and Steve Evans, a representative of the Sacramento group, Friends of the River, which put Englebright first on a "top 10" list of California dams targeted for removal.

The work group will consider issues such as public safety, water quality and financial impacts. The group will look for "fatal flaws" that could rule out decommissioning the dam, Daniel said.

Englebright Lake supporters have asked that Calfed reject at the outset the option of removing the dam.

But Calfed won't do that, unless that's the decision that comes out of the work group process, Daniel said.

"If there's enough information to justify dropping that alternative, I will recommend that they drop it," he said.

While some oppose removing the dam, others endorse the idea, he said.

"Somebody's going to be dissatisfied no matter (which way) we go," with a final decision, Daniel said.

No meeting dates have been scheduled yet for the work group, but it's expected to meet three times in April.

The public will be allowed to watch the meetings, but won't participate, Daniel said.

In May, a public meeting will be held to relay the work group's suggestions.

Following the public meeting, Daniel will present the work group's recommendation to a Calfed committee for a final decision.

ENGLEBRIGHT WORK GROUP

Local infrastructure and property owners:

Dick Akin, Sutter County Board of Supervisors; Kevin Goishi, Pacific Gas and Electric Co., Auburn; Brent Hastey, Yuba County Water Agency, Marysville; Tim Feller, Citizens Allied Against Lake Englebright Destruction, Chicago Park; George Leipzig, Penn Valley Chamber of Commerce, Lake Wildwood; Dan Logue, Yuba-Sutter Flood Control Committee, Marysville; Einer Maisch, Placer County Water Agency, Elizabeth Martin, Nevada County Board of Supervisors, Penn Valley; Dave Munro, Skipper's Cove Marina, Smartville; Les Nicholson, Nevada Irrigation District; Hal Stocker, Yuba County Board of Supervisors.

Environmental:

Rance Broda, Gold Country Flyfishers, North San Juan; Jim Crenshaw, California Sportfishing Protection Alliance, Woodland; Alan Eberhardt, Sierra Club, Grass Valley; Steve Evans, Friends of the River, Sacramento; Shawn Garvey, South Yuba River Citizens League, Nevada City; Ray Patton, California Department of Parks and Recreation, Grass Valley; Marc Reisner, Pacific Coast Federation of Fisherman's Associations, San Anselmo; Kerri Timmer, Yuba Watershed Council, Grass Valley; Steve Trafton, Trout Unlimited, Albany; Cara Wasilewski, Nevada County Resource Conservation District.

Agency members:

Karl Halupka, National Marine Fisheries Service, Santa Rosa; Carl Mesick, U.S. Fish and Wildlife Service, Stockton; Terry Mills, Calfed, Sacramento; John Nelson, California Department of Fish and Game, Rancho Cordova #

STATE WATER ISSUES/ COMMENTARY

Editorial: All wet, Fresno Bee - March 29, 1999

California faces water dilemmas throughout the state. On the San Joaquin River, farmers are poised to sue if the federal government goes ahead with plans to release more water to aid that migration. In the Sacramento-San Joaquin Delta, the state must decide by April 15 whether to join a federal plan to slow the pumps for one month to protect the migration of young salmon.

On the Colorado River, Interior Secretary Bruce Babbitt warns of "grave, grave" dangers if Southern California's urban and desert interests continue to fight over how to divide the river's water. In Washington, a debate simmers on whether funding to restore the Delta as part of the CalFed program should focus on helping farmers as much as fish.

Resolving any one of these dilemmas in a lasting way will be tough. The challenge is regrettably all the harder, however, because of the screwy, strident way California's entrenched interests behave in the behind-the-scenes struggle to influence policy.

Lines drawn in the sand, endless posturing in letters to officials such as Babbitt and threats to "walk away from the table" are all part of a dysfunctional water subculture. The behavior is all based on a single premise: Bombast, not statesmanship, is what works.

Sadly, this premise has too often proved accurate in the past. No more. Such behavior threatens in short order to be self-destructive. Babbitt has hinted that Southern California will end up with less water from the Colorado, not more, if the desert and urban interests can't come to terms.

Congress has warned that California will get less money for the Delta, not more, if environmentalists, cities and farmers continue squabbling over funding priorities. The problems in the Delta will get worse, not better, if experiments don't proceed to identify new combinations of river flows and pumping levels to sustain both fish and farming.

Gov. Gray Davis faces many decisions involving water, and soon. As important as the substance of these decisions will be, equally important is the negotiating style he establishes for the water subculture. The next time some water association or environmental group threatens to "walk" if it doesn't get its way, Davis shouldn't blink. If calm reason begins to triumph over hot rhetoric, precisely where are these warriors going to walk? #

WATER DISPUTES

State water groups mend differences: Paper-thin unity aimed at gaining funds

Sacramento Bee - March 26, By Michael Doyle, Washington Bureau

WASHINGTON -- Central Valley farmers and California environmentalists have papered over their differences enough to retain an alliance seeking millions of dollars in federal funds.

Following a high-level, three-hour meeting this week on Capitol Hill, the groups agreed not to let their long-term water policy disputes divide their effort to secure \$95 million in Interior Department funds for next year. The money will pay for numerous conservation projects in the Valley.

"If there was a difference of opinion, I think that funding request was in jeopardy," said Democratic Sen. Dianne Feinstein, a member of the Senate Appropriations Committee.

Instead, a weary-looking Feinstein could point to a brief statement signed by 10 diverse negotiators representing California's farmers, urban water districts and environmental groups. The statement united the groups, once more, in supporting the Clinton administration's request for \$95 million.

The agreement means farmers and their urban allies won't be fighting, for now, with environmentalists over surface storage studies. Those studies -- of proposals like expanding Millerton Lake by raising Friant Dam, or expanding Lake Shasta by raising Shasta Dam -- make environmentalists anxious.

In the best tradition of wartime diplomacy, the agreement reached Wednesday treated some key questions ambiguously. It was enough, however, to bring feuding parties back together.

"It's an important and useful, but not a conclusive result," said David Yargas of the Environmental Defense Fund. "The proof will be in our ability to resolve the issues we've been struggling with the last few months."

Yargas and his cohorts had taken exception to recent lobbying for surface storage studies by California farmers, labor unions and the powerful Metropolitan Water District of Southern California, among others. The environmental groups fear the studies, taken in isolation, could propel controversial water projects forward.

Farmers and urban water district officials voice their own frustration that the federal government is spending too much on ecosystem restoration and not enough on developing new water supplies. Of the \$95 million sought by the Clinton administration, \$75 million would go to ecosystem aid.

"I think the meeting pushed us closer to agreement," said Laura King, a planner with the San Luis-Delta Mendota Water Authority, which serves farmers from Tracy to Fresno.

Feinstein convened the meeting in her office following reports of dissension within the tenuous alliance that has sought federal water funding the last two years. The division reflects long-standing disagreement over the use of California water, but it became concentrated on a particular proposal to spend \$4 million next year on surface storage studies. #

FISHERY PRESERVATION

Safety (net) first; Program will turn Battle Creek into refuge for salmon, steelhead
San Joaquin Record - March 10, by Pete Ottesen, Outdoors writer

For salmon and steelhead, Battle Creek is like a refuge to be counted on with cold spring-fed water and sustained flows protected by deep, shaded canyons. When all other Northern California rivers suffer from diversions and critically dry years, this unique tributary to the Sacramento River is, perhaps, the last hope for sustaining migratory fish.

This week, several governmental agencies and Pacific Gas and Electric Company agreed in principle to undertake a massive restoration project on 42 miles of Battle Creek, a remote, inaccessible waterway that flows through parts of Shasta and Tehama counties. The project has enormous potential for restoring three distinct runs of chinook salmon and steelhead, all listed or proposed for listing under the Endangered Species Act.

"Battle Creek is so reliable and the only tributary downstream of Shasta Dam that emulates the quality of streams found above the dam, where fish used to migrate and can no longer reach," said Paul Wertz, information officer for the state Department of Fish and Game. "Because of its consistently cold water and sustained flows, it will serve as a genetic reservoir when drought could make virtually all other waters lethal to fish."

The proposed restoration cost is \$50.7 million. CalFed tentatively has approved \$27.2 million, PG&E would put up \$20.5 million and private foundations would kick in the remaining \$3 million.

The restoration proposal includes increasing flows, removing five diversion dams, screening and enlarging three diversion dams and constructing tailrace connectors to eliminate mixing north and south fork water.

PG&E spokesperson Lisa Randle said her company has a strong environmental record and watershed stewardship.

"We recognize the stream is very important to fish restoration, a unique stream because of its steady flows that are ideal for this type of project," she said. "Our hydro-electric facilities were built in the early 1900s, and serious fishery declines occurred 50 years later."

Randle said the cooperative agreement is "strictly for fish."

Before the agreement can go forward, there must be a memo-of-understanding among the National Marine Fisheries Service, U.S. Fish and Wildlife Service, U.S. Bureau of Reclamation, state Department of Fish and Game and PG&E, and the project must gain approval by the Federal Energy Regulatory Commission.

"We've taken the first step and are proud to have achieved this cooperative plan," Randle said.

Said Jim Bybee, Northern California habitat manager for the National Marine Fisheries Service: "A major goal is to maintain sustainable fisheries for our constituents -- recreational and commercial fishers -- and that won't happen overnight."

He conceded that agencies have a difficult time managing water on the Sacramento River system, especially in dry years, making Battle Creek restoration all the more important.

"Battle Creek can be an eco-system refuge and offer much more protection for salmon and steelhead when releases from Shasta Dam are managed during droughts," he said. "This project is an example of restoring the whole watershed -- an eco-system approach -- where we don't target one specific fish."

Officials hope the partnership can work and serve as an inspiration on other streams that historically have supported migratory salmon and steelhead.

"This partnership will, hopefully, be mirrored in other watersheds through CalFed and other programs as we continue to look for creative and local solutions to restore California's struggling native fisheries," said Mike Spear, California-Nevada manager for the U.S. Fish and Wildlife Service.

If project approval and environmental assessment proceed on time, actual construction could get underway in the year 2000. It's a "safety net" fishery resources must have. Here's why.

The Sacramento River is key to commercial and recreational fishing. No less than 85 percent of all salmon caught in the ocean -- between Point Arena, Mendocino County and the Mexican border -- are Sacramento River stock chinook.

The "Salmon Ocean Abundance" report released this week by the federal government predicts some 770,000 salmon will be available to be caught by sport and commercial fishermen this year, up from 600,000 salmon in 1998. #

CALFED

Editorial: Liquid assets; More storage critical to Delta plan

Contra Costa Times - March 6, By John Glennon, editorial writer

The Sacramento-San Joaquin River Delta is the largest estuary on the West Coast. It provides drinking water for two-thirds of Californians and supplies water for 7 million acres of the most productive farmland in the world. The Delta also is the nexus of the state's two largest water distribution systems, the federal Central Valley Project and the State Water Project. And it is in trouble.

For years, the ecological balance of the Delta has been deteriorating, threatening fish and wildlife and the quality of water for millions of Californians.

CALFED News
March 3-19, 1999

12

It is difficult to overstate the importance of saving the Delta, but even more perplexing to find solutions to a complex problem made even worse by competing interests that don't trust each other.

Nevertheless, progress is being made thanks to a coalition of state and federal agencies known as CalFed. Since May 1995, urban water users, agricultural interests and environmentalists have been sitting at the same table trying to reach a consensus on saving the Delta environment while providing reliable water supplies to urban and agricultural users.

CalFed has done an admirable job keeping all parties talking to each other for the past four years. But later this year CalFed will be making some major planning decisions that threaten to split apart the delicate coalition of agricultural, urban and environmental groups.

Four key problems

There are four interrelated Delta problem areas that CalFed hopes to attack simultaneously: ecosystem quality, water supply reliability, water quality and levee system integrity.

To better understand these problems, how they relate to each other and how best to deal with them, it is essential to have a basic grasp of the natural water cycles that affect the Delta.

The fundamental difficulty in meeting environmental and water-users' needs is not so much one of supply, but of reliability. In most years, there is more than enough water flowing into the Delta to satisfy everyone.

The problem is that water flows vary greatly from winter to summer and from year to year. The average annual flow of water into the Delta is 24 million acre feet. In wet years it can be as high as 69 million acre feet and as low as 6 million acre feet during a drought.

Delta water inflow irregularities can be compared to someone with a wildly fluctuating income in which revenues are very high a few months of the year and all but disappear the rest of the time. In some years total income soars, in others it is woefully inadequate.

Anyone with such an uncertain short-term income surely would, or should, know the value of savings both on an annual and long-term basis. So it is with California's complex water system, which relies heavily on savings in reservoirs during wet months and wet years so there will be enough supply in dry months and drought years.

Adequate water storage relates directly to three of the four problem areas CalFed is working on: ecosystem quality, water supply reliability, water quality. The fourth, levee system integrity, is not so tightly linked to water storage issues. But all are interdependent and must be addressed in a comprehensive, coordinated manner.

Ecosystem quality

It is the deterioration of the Delta environment that brought about the CalFed process. The San Francisco Bay-Delta ecosystem no longer sustains the wide diversity of habitats it once did.

The quality of the Delta environment has worsened over the years and does not support the healthy populations of plants and animals it once did. As a result, once thriving fisheries have been lost or severely diminished, and the diversity of life on the Delta has decreased.

There are a number of causes for the environmental degradation, including agricultural runoff of selenium and other chemicals, invasion of salty water and inadequate fresh water flows during dry months and drought years.

The goal of CalFed is to restore health of the ecosystem by improving and increasing aquatic and terrestrial habitats in a way that is sustainable even as water is diverted for agricultural and urban use. The key here is dependable fresh water flows.

Federal law requires that about 800,000 acre feet more fresh water be allowed to flow into the Delta each year and that minimum flows be maintained even in dry periods.

The challenge is to have enough water on hand to release into the Delta while still providing urban and agricultural users the supplies they require.

In most years, the current system of reservoirs, underground aquifers and conduits is adequate to meet environmental and water-user demands. But that is not the case in lengthy droughts such as the one that occurred in the late 1980s and early 1990s.

That does not mean new sources of water have to be tapped, but it does mean more water will have to be stored.

Water supply reliability

Reliability is perhaps the greatest challenge for CalFed. It is becoming increasingly difficult to maintain a dependable source of fresh water as both population and environmental needs for fresh water increase.

In the past decade, several actions, including the Central Valley Project Improvement Act and the Delta Accord have redirected more than 1 million acre feet of CVP and SWP water supply for environmental use during the driest years. This, of course, is when urban and agricultural demands stretch the state's water resources to the limit.

Much of the water being diverted for environmental purposes comes from agriculture, and farmers are pushing to retrieve supplies. At the same time, urban water use is increasing as California's population continues to grow.

Much of the future demands for urban water use can be met with continued conservation and reclamation efforts. In fact, considerable progress has been made in reducing water use with drip irrigation of residential plantings, low-flow toilets and showers and using sprinklers only at night. Also, greater use of reclaimed water for golf course irrigation and other purposes has taken some of the strain off urban water needs.

However, conservation has its limits. During the severe drought in 1977, residential water users were able to cut usage 25 percent by taking measures that are in place today. A 25 percent cutback in water use now would be like a 42 percent reduction a couple of decades ago, according to Walter Bishop, general manager of the Contra Costa Water District. Water cutbacks of that magnitude would result in the loss of landscaping and cause other hardships.

Farmers also are feeling the pinch. While there has been no increase in acreage under cultivation in California, land is being used more intensely, often producing more than one crop a year. Thus even with considerable advancement in efficient irrigation systems, agricultural water demand remains high.

As long as rainfall and the snow pack in the Sierras remain near or above normal, everyone's needs can be met. But a year or two of drought could be a disaster if the water diversion mandates for environmental purposes are followed. The situation can only get worse as California grows.

Water transfers have helped make more efficient use of water and are expected to increase under the CalFed plan as long as there are no adverse impacts on third parties. Water transfers help reduce waste, get water to where it is needed in a timely fashion and can be used for environmental purposes.

However, conservation, reclamation and water transfers cannot by themselves guarantee a dependable water supply during a period of drought. Only increased storage can accomplish that task.

Water quality

High-quality water is essential for urban use both as drinking water and for some industrial purposes. Pure water also is required for habitat protection in the Delta and for agricultural purposes, although a lesser quality is required to grow crops.

As with virtually all water issues in California, maintaining high quality is most difficult in dry parts of the year and during droughts. When there are reduced fresh water flows into the Delta, salinity levels rise and can damage quality.

CalFed's strategy is to reduce or eliminate factors that degrade water quality at its source rather than just cleaning it up in treatment facilities.

Of particular concern to CalFed are bromides (which will soon have stricter standards), organic carbon, pathogens, pesticides, salinity, mercury, selenium, sediments and oxygen depleting substances found in waste discharges.

Many of these pollutants, particularly salinity and bromides, which come from ocean water intrusion, can be reduced with steady fresh water flows.

Others, particularly selenium and other agricultural sources must be controlled before they reach the Delta system.

Again, greater storage capacity is a key element. Larger volumes of stored water allow for higher fresh water flows at all times of the year. More important, pure water gathered in wet periods can be kept ready for use in drought periods to lower salinity levels in the Delta and to provide high-quality drinking water.

Levee system integrity

Much of the Delta today is a manmade environment, consisting of many below-sea level islands created by a network of levees. Over the years, the levees have deteriorated and have on occasion broken open, rapidly flooding islands.

As the land slowly sinks, levee heights increase, making them more vulnerable to erosion, storms and earthquakes. Levee failures can rapidly alter the environment, allowing salinity to increase near water intakes. Also, habitats are destroyed, and water flows can be redirected.

Maintaining the levee system is an enormous task simply because of its size. And it will be expensive. However, it is perhaps the least controversial aspect of the CalFed plan because it does not directly involve water supply, storage or conveyance, nor does it directly affect water rights.

The real controversy in the CalFed process concerns supply, storage and conveyance.

CalFed's goal is to guarantee water quality and reliability, not to increase supply by any great amount.

Nonetheless, agricultural users want to get back the water supplies (around 1 million acre feet) they lost to the environment. However, they don't need the water in wet years and could have enough in dry years if water storage capacity, above and below ground is increased.

Environmentalists fear that any significant increase in storage capacity translates to an increase in water supply for development and wasteful irrigation practices.

Urban users say they don't need increased supplies. Bishop, for example, says that conservation and reclamation are enough to accommodate growth in all but dry years. What urban interests want is reliability, not a glut of water for development.

Urban and environmental interests do agree on water conveyance around the Delta, which is still an option being considered by CalFed. They are both firmly against anything that remotely resembles the failed Peripheral Canal proposal that was defeated by California voters in 1982.

Southern California voters favored the canal to send water south, but were overwhelmed by 10-1 margins against the canal in Northern California.

More storage needed

The challenge for CalFed is to demonstrate the need for increased water storage capacity. At the same time it must allay environmentalists' fears of development inducing water supplies while it persuades agricultural interests that storage and transfers can meet their needs without significant increases in supply.

That is a tricky enough matter if all the parties at the table trusted each other. But they don't. In fact, they have been such avid adversaries for so long that it has been a considerable accomplishment of CalFed to keep everyone talking.

A potent argument in favor of increased water storage, one that should resonate with both environmentalists and urban users, is that it should eliminate the need for anything like the Peripheral Canal. With adequate storage north and south of the Delta, there should be enough supply in dry years for all users without a canal.

CalFed is considering water storage in underground aquifers as well as above ground reservoirs. The advantage of aquifers is that little new infrastructure is needed. However, the quality of the water is not the best, but it is still good enough for agricultural purposes.

Above-ground reservoirs provide the highest quality water, which is suitable for urban and environmental use and will be required if all water needs are to be met in dry years.

During wet periods, both aquifers and above-ground reservoirs can be replenished. With transfers, agricultural users can tap into aquifers leaving above-ground pure water for urban users and to maintain fresh water flows that protect the Delta environment.

As the CalFed process moves along, it is becoming increasingly clear that water storage both north and south of the Delta will be needed. CalFed has put together a list of 14 potential surface storage sites, including an expanded Los Vaqueros. The list will be narrowed to three to five by the end of the year.

Of course, any workable plan that CalFed decides upon will have to have the support of all three major water interests: agriculture, urban and environmental. Farmers want to be assured of adequate supplies; urban users seek reliable sources of quality water and environmentalists demand minimum fresh-water flows into the Delta.

CalFed's plan can meet all those needs without a peripheral canal. The tradeoff is more reservoir and aquifer capacity. The key to success is trust among all three water interests that no one has a hidden agenda.

There's a lot at stake -- environmentally, economically and in quality of life -- in reaching a long-term agreement on water use for more than 20 million people. That is why CalFed has moved cautiously but steadily. But the time for tough decisions is near.

Let's hope they are based on sound scientific and economic principles and do not succumb to the mistrust and acrimony that have prevailed in the past.

WATER ISSUES/COMMENT

Dan Walters column: Davis inherits water conflict

Sacramento Bee - March 4, 1999

YUBA CITY -- Much has happened in the past century. Two world wars and a Cold War have been waged; communism has arisen and crumbled; and computers, television, rockets and other forms of technology unimaginable 100 years ago have become commonplace.

But when the 20th century began, Californians were fighting over water and as it ends, they're still squabbling over who controls it.

CALFED News
March 3-19, 1999

16

Wherever veterans of California's water wars gather, they swap old combat stories. They talk about the struggle over the State Water Project in the 1950s, the prolonged, decades-long wrangling over an Auburn dam, the sharp clash over a peripheral canal in the 1980s, the angst over congressional reauthorization of the Central Valley Project in the 1990s and, most recently, the nasty feud between Los Angeles and San Diego over Colorado River water.

When Gray Davis was inaugurated as governor two months ago, by default he also inherited the state's two-front water conflict, one that his previous four predecessors had been unable to resolve. While Southern Californians bicker over how to absorb a looming reduction in their Colorado River supplies, Northern California water warriors are focused on CalFed, the years-long process that's supposed to develop new policies governing use of water that flows through the Sacramento-San Joaquin Delta.

Davis' immediate predecessor, Pete Wilson, moved CalFed to a preliminary decision stage, but wasn't able to finish the job. Davis, however, cannot merely pick up where Wilson left off because he comes with different political connections.

The new administration has already weathered one water crisis. Mary Nichols, Davis' resources secretary, unilaterally withdrew a policy paper filed by Wilson in a San Joaquin Valley lawsuit pitting farmers against environmentalists. Wilson had sided with the farmers and Nichols' action angered farmers -- especially since she had been an environmental activist herself. Growers complained and Davis rebuked Nichols and reinstated the pro-farmer policy paper.

It was against that background that Nichols stepped gingerly before a gathering of Northern California agricultural water users Wednesday in what was billed as her first major address on water policy.

Nichols was very, very careful of what she said, mindful of her past action, her scolding and Davis' famous aversion to political risk. She avoided any direct reference to the single most controversial issue of the CalFed negotiations: whether new water-storage reservoirs should be built, as farmers want and environmentalists bitterly oppose.

The conflict over reservoirs blocked enactment of a water development bond in the Legislature last year and looms as the major sticking point on CalFed agreement. "The time is right and the problems are pressing," Nichols said of water policy negotiations -- but didn't provide any direction on reservoirs except a cryptic response to a question from the audience. "Nothing is off the table," she said.

Nichols framed her entire address in the form of policy questions that need to be answered -- but provided none of the answers. The questions, however, indicated that the new administration may take a broader approach to water policy than Wilson's, perhaps tying the allocation of water to such issues as land use.

But that's mere speculation. Davis, Nichols and the state's new water resources director, ex-Assemblyman Tom Hannigan, know that there are no easy answers to California's water conflict. One can only wonder whether they, like past administrations, will bequeath the problem to the next bunch.